



The Scoop on Scope of Loss

Solving Reconstruction Pricing Disputes

April 19, 2023

California 2022 & Marshall Wildfires

About United Policyholders (UP)

- Reputable, established 501(c)3 not-for-profit charitable organization, Platinum Guide Star rating
- A trusted information resource and respected voice for insurance consumers in all 50 states
- 32 year track-record and expertise in disaster recovery
- Not for profit...not for sale
- Funded by donations and grants

Team UP

- Professional staff
- Government and nonprofit partners
- Volunteers
 - Fired UP Survivors - previous catastrophic loss survivors paying it forward
 - Consumer-oriented professionals
 - Damage and repair/rebuild cost estimators
 - Lawyers
 - Public Adjusters
 - Tax and Financial Planning experts
 - Construction and Real Estate professionals

Our Three Programs

Roadmap to Recovery[®]

- *Guidance on insurance, restoring assets and getting back home after a catastrophic loss*

Roadmap to Preparedness

- *Helping households and communities reduce risk and be resilient to disasters and adversity*

Advocacy and Action





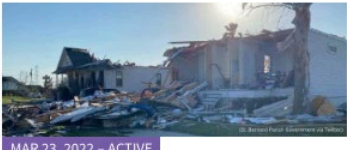

- *Fighting for insurance consumer rights and protections*

Disaster Insurance Help Libraries

uphelp.org/recovery/disaster-recovery-help

- State Specific Resources with Step-by-Step Guidance
- One Click Links to Sign UP for Events And Email Notifications
- Links to Pro-consumer Professional Help
www.uphelp.org/findhelp
- Sample Letters & Claim Forms
www.uphelp.org/samples
- Survivors Speak Tips
www.uphelp.org/survivorsspeak
- Upcoming Workshops and Resources
www.uphelp.org/events

The screenshot shows the United Policyholders website. The header includes the logo, "LOG IN", "ASK AN EXPERT", and a search bar. The navigation menu has links for HOME, ABOUT, MEDIA, RECOVERY HELP (selected), GET PREPARED, ADVOCACY, and EVENTS. A banner for "ROADMAP TO RECOVERY™" features a "DISASTER RECOVERY HELP" link circled in red. Below the banner, the "DISASTER RECOVERY HELP" section is displayed with a breadcrumb trail: Home » Roadmap to Recovery™ » Disaster Recovery Help. The main content area shows six disaster recovery help libraries, each with a photo, date, status, title, and description.

Image	Date	Status	Title	Description
	SEP 28, 2022	ACTIVE	2022 Hurricane Ian – Insurance Claim and Recovery Help Library	Hurricane Ian made landfall as a Category 4 Hurricane and caused extensive damage in late September, 2022 in regions throughout Florida and neighboring states.
	JUL 29, 2022	ACTIVE	2022 California Wildfires – Insurance Claim and Recovery Help	This library will help those affected by the Alex, McKinney, Yeti, Mill, and Fairview fires.
	JUL 22, 2022	ACTIVE	2022 Oak Fire – Insurance Claim and Recovery Help	The Oak Fire in Mariposa County has burned nearly 19,000 acres and destroyed over 190 structures so far during what is predicted to be an exceptionally challenging wildfire season in California due to drought conditions.
	JUN 10, 2022	ACTIVE	2022 Yellowstone Flooding in Montana	"1-in-500 year event" in June 2022 brought catastrophic flooding to Montana communities along the Yellowstone River.
	MAR 23, 2022	ACTIVE	March 2022 Louisiana Tornado – Insurance Claim and Recovery Help	On March 22nd, 2022 an EF3 tornado touched down in the Lower Ninth Ward, Timberlane,
	JAN 1, 2022	ACTIVE	2022 Tornado – Insurance Claim and Recovery Help	

The Fine Print

- This workshop is intended to be general guidance only, not legal advice
- We don't endorse or warrant any of the sponsors listed at www.uphelp.org or speakers at our workshops
- Our speakers are volunteering their time as educators

Recovering from a disaster is a marathon, not a sprint





Today's Presenters

Valerie Brown

Deputy Executive Director, United Policyholders

Larry Izzo

Scope Writing Services, LLC

Annie Barbor

Roadmap to Recovery[®] Coordinator & 2017 Tubbs Fire survivor

THE SCOOP ON SCOPE

Coverage A: Dwelling Coverage

- This is the “big ticket” item in your policy;
- Do the math to know your limits
 - Your Coverage A limits for main dwelling
 - Do you have “extended replacement”?
(commonly 25%, 50% or 100%)
 - Other Structures
 - Debris Removal - Usually 5% PER coverage
 - Code Upgrade Coverage (Ordinance & Law)
 - Trees, Shrubs and Plants

Sample HO Policy



UNITED SERVICES AUTOMOBILE ASSOCIATION

PAGE 3
MAIL MACH-I

9800 Fredericksburg Road - San Antonio, Texas 78288

AMENDED DECLARATIONS PAGE - EFFECTIVE 07/15/21

Named Insured and Residence Premises

Policy Number

SAN DIEGO, SAN DIEGO, CA

Coverage Categories

Coverage A = Dwelling

Coverage B = Other Structures

Coverage C = Personal Property/Contents

Coverage D = Loss of Use/Additional Living Expenses

Extended Replacement Coverage

Building Code Upgrades/Ordinance & Law

Policy Period From: 07/15/21 To: 07/15/22

(12:01 A.M. standard time at location of the residence premises)

SECTION I - COVERAGES AND AMOUNTS OF INSURANCE

COVERAGES A - DWELLING PROTECTION \$505,000

> HOME PROTECTOR ENDORSEMENT (HO-125), MAY ADD UP TO \$126,250

COVERAGES B - OTHER STRUCTURES PROTECTION \$50,500

> HOME PROTECTOR ENDORSEMENT (HO-125), MAY ADD UP TO \$12,625

COVERAGES C - PERSONAL PROPERTY PROTECTION \$378,750

COVERAGES D - LOSS OF USE PROTECTION (UP TO 12 MONTHS) \$101,000

SECTION II - COVERAGES AND LIMITS OF LIABILITY

Personal Liability - Each Occurrence \$1,000,000

Medical Payments to Others \$5,000

DEDUCTIBLES (Applies to SECTION I Coverages ONLY)

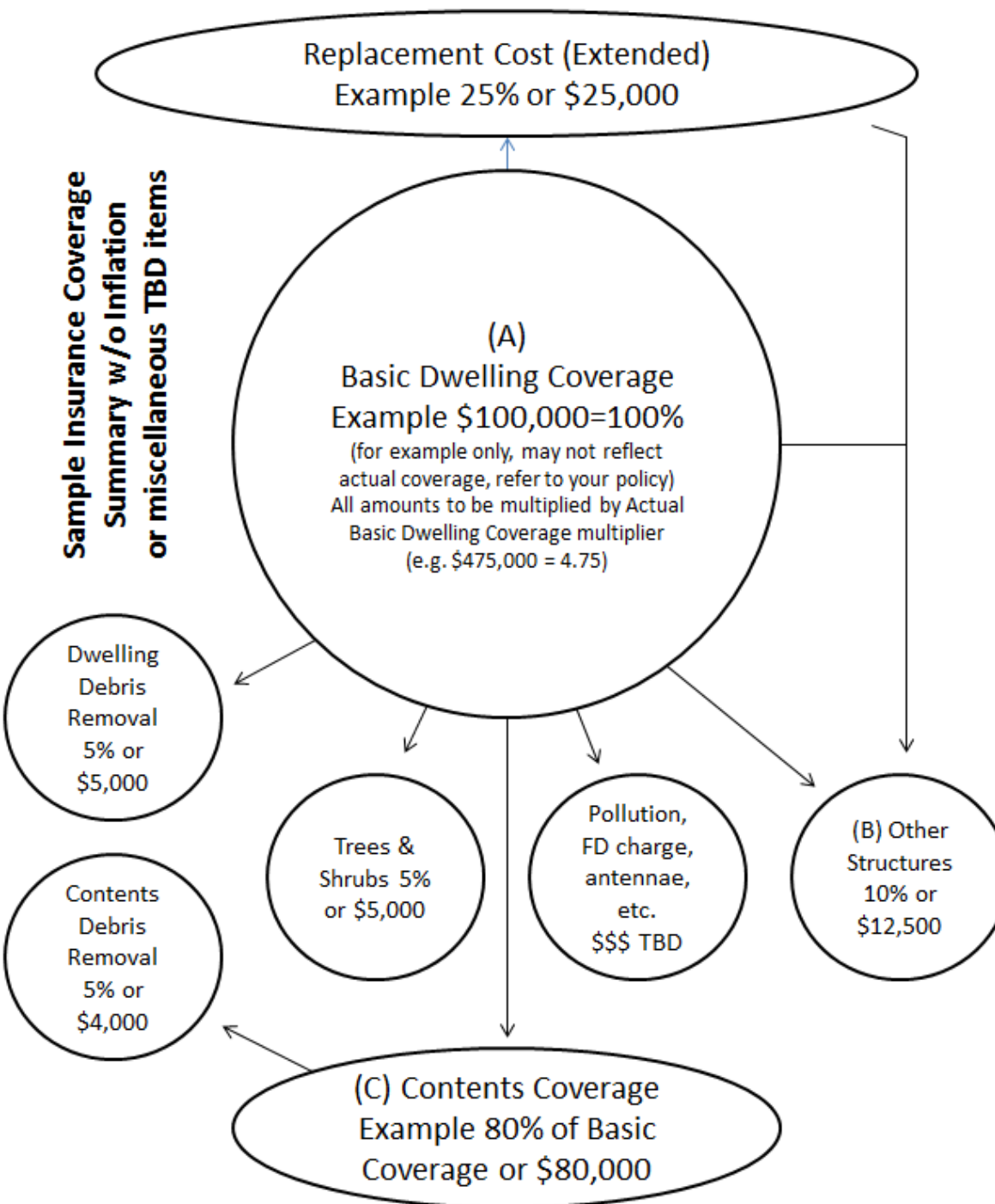
We cover only that part of the loss over the deductible stated.

ALL PERILS \$2,000

POLICY PREMIUM for Section I and Section II Coverages Above

\$1,518.58

**Sample Insurance Coverage
Summary w/o Inflation
or miscellaneous TBD items**



Example

Dwelling	100% = \$100,000
Extended	\$25,000
Dwelling Debris	\$5,000
Trees & Shrubs	\$5,000
Pollution, etc.	TBD
Other Structures	\$12,500
Contents	<u>\$80,000</u>
	>\$227,500

Know Your Limits

CATEGORY	LIMITS
Dwelling (with inflation)	\$421,309.17
Extended Limits - Dwelling	\$210,654.59
Other Structures (with inflation)	\$42,130.92
Personal Property (with inflation)	\$294,916.42
Building Code (included in cov. A)	
Trees/Plants/Shrubs	\$21,065.46
Debris Removal - Dwelling	\$21,065.46
Debris Removal - OS	\$2,106.55
Debris Removal - Contents	\$14,745.82
Debris Removal - TPS	\$1,000.00
Loss of Use	\$209,000.00
TOTALS	\$1,237,994.38

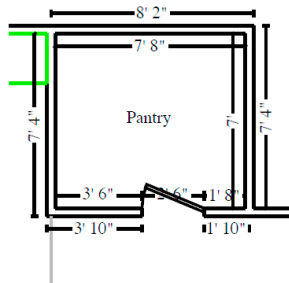
Dwelling Claim Process

- Often, the dwelling claim settlement process will begin with the insurer preparing a **scope of loss** on your destroyed property – most likely in Xactimate
- A scope of loss details the **materials, quantities, and range of work needed** to repair/rebuild what you had prior to the disaster
- A scope of loss is different from an **estimate, or bid**, which adds in prices for each line item

What is a Scope of Loss?

- A Scope of Loss is a detailed, line item breakdown of all the items and services necessary to rebuild or repair a damaged property back to “pre-loss” condition.
- A thorough Scope of Loss will detail each room to identify all damages being addressed and avoid lumping items together, which could cause confusion.

Scope Of Loss



Pantry

Height: 10' 6"

308.48 SF Walls	53.84 SF Ceiling
362.32 SF Walls & Ceiling	53.84 SF Floor
5.98 SY Flooring	29.38 LF Floor Perimeter
29.38 LF Ceil. Perimeter	

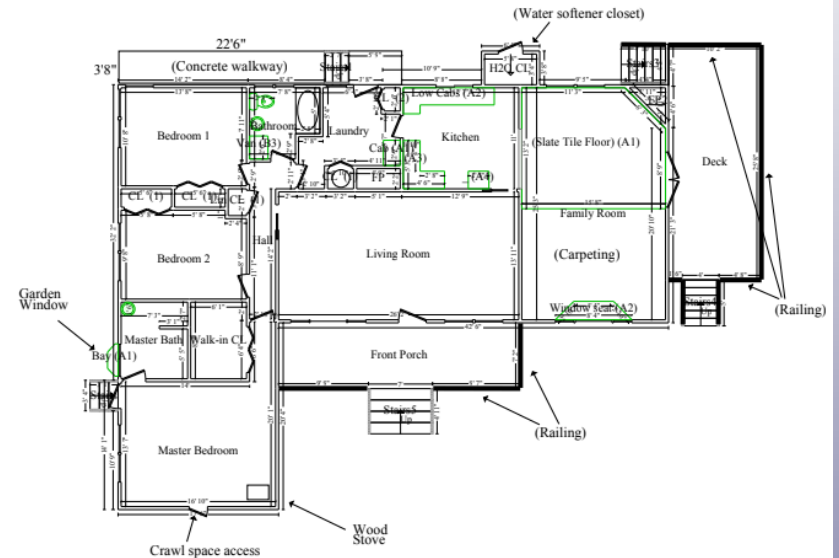
DESCRIPTION

QTY

41. R&R Underlayment - 1/2" particle board	53.84 SF
42. Floor preparation for resilient flooring	53.84 SF
43. Vinyl plank flooring - Premium grade Kardeen vinyl flooring	53.84 SF
44. Add for glued down application over wood substrate	53.84 SF
45. R&R Baseboard - 8" hardwood - 2 piece	29.38 LF
46. R&R Shelving - full height unit - Standard grade	11.00 LF
47. Drywall patch / small repair, ready for paint	1.00 EA
48. Texture drywall - smooth / skim coat	308.48 SF
49. Interior door, 8' - Detach & reset	1.00 EA
50. Mask and prep for paint - paper and tape (per LF)	29.38 LF
51. Seal & paint baseboard, oversized - two coats	29.38 LF
52. Paint casing - oversized - one coat	16.00 LF

Scope Of Loss

Living Room			Height: 9'
Door	2' 9" X 6' 8"	Opens into KITCHEN	
Door	2' 9" X 6' 8"	Opens into HALL	
Door	3' X 6' 8"	Opens into FRONT PORCH	
DESCRIPTION	QTY	UNIT PRICE	TOTAL
DOORS & WINDOWS			
63. Skylight - reflective tube - 13"	1.00 EA @	625.15 =	625.15
64. Skylight flashing kit - dome	1.00 EA @	107.15 =	107.15
65. Wood window - picture (fixed), 12-23 sf, High grade	1.00 EA @	715.10 =	715.10
66. Wood window - double hung, 13-19 sf, High grade	4.00 EA @	761.77 =	3,047.08
All LR windows were double hung, with stain grade grid and were double paned.			
67. Add on for grid (double or triple glazed windows)	76.00 SF @	2.35 =	178.60
68. Add on for "Low E" glass	76.00 SF @	1.71 =	129.96
69. Stain & finish wood window (per side) - Large	2.00 EA @	66.71 =	133.42
70. Stain & finish wood window (per side)	8.00 EA @	69.82 =	558.56
71. Exterior window flashing	58.00 LF @	2.72 =	157.76
72. Caulking - acrylic	58.00 LF @	1.75 =	101.50
73. Pocket door unit - panel	2.00 EA @	341.36 =	682.72
Stain grade, paneled pocket doors to the Kitchen and the Hall. Doors were solid core, not hollow.			
74. Exterior door - solid mahogany - paneled	1.00 EA @	1,128.48 =	1,128.48
Solid core exterior, paneled front door that was stained and had a window/lite. The door also had a side lite.			
75. Door lockset & deadbolt - exterior - High grade	1.00 EA @	123.69 =	123.69
76. Door threshold, wood	1.00 LF @	13.92 =	13.92
77. Door hinges (set of 3)	1.00 EA @	40.74 =	40.74
78. Door stop - wall or floor mounted	1.00 EA @	13.95 =	13.95
BERNARD-SAMPLE-SCOPE		2/12/2018	Page: 5



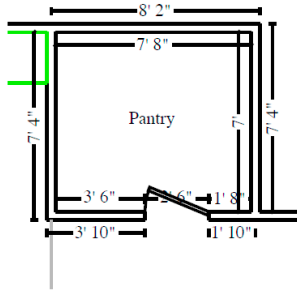
First Check = Starting Point

- You may already have gotten a check for your dwelling claim
- Think of this check as your starting point
- You are entitled to the cost to repair/rebuild your home as it was before the fire - up to your policy limits- plus any additional coverages such as Extended Replacement & Code Upgrades

The Initial Estimate

- Pages and pages of items and numbers
- Hard to understand
- Where do you start?
- You might have a contractor's bid with a big gap between the two
- Have you reached an impasse?
- What do you do?

Estimate



Pantry

Height: 10' 6"

308.48 SF Walls	53.84 SF Ceiling
362.32 SF Walls & Ceiling	53.84 SF Floor
5.98 SY Flooring	29.38 LF Floor Perimeter
29.38 LF Ceil. Perimeter	

DESCRIPTION	QTY	REMOVE	REPLACE	TAX	O&P	TOTAL
41. R&R Underlayment - 1/2" particle board	53.84 SF	0.76	1.79	2.98	28.06	168.33
42. Floor preparation for resilient flooring	53.84 SF	0.00	0.87	0.46	9.46	56.76
43. Vinyl plank flooring - Premium grade Kardeen vinyl flooring	53.84 SF	0.00	12.50	22.38	139.08	834.46
44. Add for glued down application over wood substrate	53.84 SF	0.00	0.39	0.73	4.34	26.07
45. R&R Baseboard - 8" hardwood - 2 piece	29.38 LF	0.68	12.50	17.11	80.88	485.22

Why a bid to build your new home doesn't typically work

- Problems often arise when a homeowner tries to negotiate a settlement using a bid to build the new home.
- The **home that was lost is what was insured**, and the insurance company wants to know how much they would have to pay to rebuild the destroyed home.
- This determines how much the insurance company is obligated to pay, even if you are actually building something different.

Compare “apples” to “apples”

- In order to determine the proper cost to replace your home you will need to “reconcile” the insurance company estimate and your contractor’s estimate
- BUT real life builders don’t usually use Xactimate, they use subcontractor bids
- So, how do you compare or reconcile them?

Start with the Scope

- Your goal is to “fix” the adjuster’s estimate to accurately reflect what you lost
- DON’T worry about the numbers, at the beginning
- First focus on the details
- This is THE MOST IMPORTANT thing!

The dollars are in the details

It is very important to provide the adjuster with as much detail about your pre-loss dwelling as possible:

- Is scope complete (no rooms missing)
- Sizes and shapes: How many rooms, what kind of finishes, what kind of windows, etc.
- Include details (8 ft ceilings vs vaulted or 12 ft ceilings)
- Use whatever information you can get your hands on to recreate detailed descriptions of what your property (interior and exterior) was like before the loss

Be accurate and don't exaggerate or "pad"

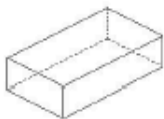
Documentation to describe your pre-loss condition

- Building plans
- Photos (interior and exterior)
- Verbal descriptions (interior and exterior)
- Google Earth (Timeline, Street View and 3D)
- Eagle View - 3D aerial roof and wall measurements
- DraftTech
- Zillow, other realty websites

Documenting Pre-Loss Condition

Describe dwelling in detail (ignore contents):

- Ceilings (materials, soffits, beams, panels, vaults, coffered, domed, etc. – don't worry about terminology)
- Special conditions (rounded corners, arches, alcoves, etc.)
- Cabinets, countertops, built-ins, closets, etc.
- Doors, trim, baseboards, mantels, ornamentals
- Drywall, texture, paint and flooring materials
- Lighting, windows, switches, window coverings
- Attached appliances and special items



Family Room

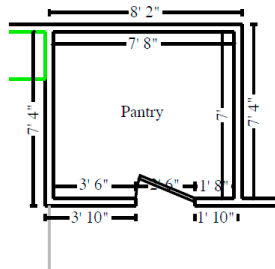
LxWxH 25'0" x 14'3" x 8'0"

628.00 SF Walls
 984.25 SF Walls & Ceiling
 39.58 SY Flooring
 200.00 SF Long Wall
 78.50 LF Ceil. Perimeter

356.25 SF Ceiling
 356.25 SF Floor
 78.50 LF Floor Perimeter
 114.00 SF Short Wall

DESCRIPTION	QNTY	REMOVE	REPLACE	TOTAL
Ceiling				
65. Masonite paneling	356.25 SF	0.00	1.70	605.63
Walls				
These walls were painted				
Electrical				
66. Switch	6.00 EA	0.00	13.22	79.32
67. Outlet	7.00 EA	0.00	11.92	83.44
68. Light fixture - High grade - 4 bilb with frosted etched glass	2.00 EA	0.00	73.51	147.02
69. Television cable outlet	1.00 EA	0.00	57.02	57.02
70. Phone outlet	1.00 EA	0.00	17.77	17.77
Finish Carpentry				
71. Baseboard - 4 1/4" hardwood	78.50 LF	0.00	4.60	361.10
72. Crown molding - 3 1/4" stain grade	78.50 LF	0.00	3.90	306.15
Paint				
73. Seal then paint the walls and ceiling twice (3 coats)	984.25 SF	0.00	0.82	807.09
74. Seal & paint baseboard, oversized - two coats	78.50 LF	0.00	0.91	71.44
75. Seal & paint crown molding - two coats	78.50 LF	0.00	0.88	69.08
76. Seal & paint wood window (per side) - 2 sides	6.00 EA	0.00	25.98	155.88
77. Paint window opening - 2 coats (per side)	3.00 EA	0.00	18.29	54.87
Flooring				
78. Carpet - High grade	356.25 SF	0.00	4.47	1,592.44

Make Corrections!



Pantry

Height: 10' 6"

308.48 SF Walls
362.32 SF Walls & Ceiling
5.98 SY Flooring
29.38 LF Ceil. Perimeter

53.84 SF Ceiling
53.84 SF Floor
29.38 LF Floor Perimeter

12'

DESCRIPTION

QTY

41. R&R Underlayment - 1/2" particle board	53.84 SF
42. Floor preparation for resilient flooring	53.84 SF
43. Vinyl plank flooring - Premium grade Kardeen vinyl flooring	53.84 SF
44. Add for glued down application over wood substrate	53.84 SF
45. R&R Baseboard - 8" hardwood - 2 piece — 12" base	29.38 LF
46. R&R Shelving - full height unit - Standard grade	11.00 LF
47. Drywall patch / small repair, ready for paint	1.00 EA
48. Texture drywall - smooth / skim coat	308.48 SF
49. Interior door, 8' - Detach & reset — remove	1.00 EA
50. Mask and prep for paint - paper and tape (per LF)	29.38 LF
51. Seal & paint baseboard, oversized - two coats	29.38 LF
52. Paint casing - oversized - one coat	16.00 LF

Trade Summary

Recap by Category

O&P Items	Total	%
APPLIANCES	2,009.20	0.85%
CABINETRY	33,015.15	13.99%
CLEANING	3,179.86	1.35%
CONTENT MANIPULATION	573.28	0.24%
GENERAL DEMOLITION	8,682.15	3.68%
DOORS	773.27	0.33%
DRYWALL	17,528.92	7.43%
ELECTRICAL	14,725.85	6.24%
FLOOR COVERING - CARPET	368.20	0.16%
FLOOR COVERING - VINYL	4,003.91	1.70%
FLOOR COVERING - WOOD	31,463.74	13.34%
PERMITS AND FEES	9,500.00	4.03%
FINISH CARPENTRY / TRIMWORK	16,093.69	6.82%
FINISH HARDWARE	262.18	0.11%
FIRE PROTECTION SYSTEMS	4,000.00	1.70%
FRAMING & ROUGH CARPENTRY	243.30	0.10%
HEAT, VENT & AIR CONDITIONING	3,000.00	1.27%
INSULATION	7,249.44	3.07%
LABOR ONLY	6,000.00	2.54%
LIGHT FIXTURES	1,907.83	0.81%
PLUMBING	8,592.72	3.64%
PAINTING	18,456.48	7.82%
TEMPORARY REPAIRS	260.00	0.11%
WINDOW TREATMENT	165.85	0.07%
O&P Items Subtotal	192,055.02	81.40%
Permits and Fees	38.54	0.02%
Material Sales Tax	4,516.93	1.91%
Overhead	19,661.34	8.33%
Profit	19,661.34	8.33%
Total	235,933.17	100.00%

WHAT IF YOU'RE BUYING?

Overview of buying (instead of rebuilding)

- You need to reach an agreement with your insurance company on the dollar amount it would theoretically cost if you did rebuild the exact same home that was destroyed.
- This includes code upgrade coverage and extended benefits that are available.
- Generally, that is what the insurer owes you, (up to policy limits).

CA Insurance Code 2051.5

(c) In the event of a total loss of the insured structure, a policy issued or delivered in this state shall not contain a provision that limits or denies, on the basis that the insured has decided to rebuild at a new location or to purchase an already built home at a new location, payment of the building code upgrade cost or the replacement cost, including any extended replacement cost coverage, to the extent those costs are otherwise covered by the terms of the policy or any policy endorsement. However, the measure of indemnity shall not exceed the replacement cost, including the building code upgrade cost and any extended replacement cost coverage, if applicable, to repair, rebuild, or replace the insured structure at its original location.

Replacement cost to rebuild vs. Price of replacement home you want to buy

- Present your insurer with one or more estimates for what it would cost to rebuild
- Reach an agreement with your insurer on that cost.
- After you have reached an agreement with the insurer as to the amount it would have cost to build the home that was destroyed, find a home that costs at least as much as it would have cost to rebuild as was.
- Present the real estate documentation to your insurer

Deep Breath



COMMON PROBLEMS

Examples of Xactimate Omissions (Total Loss Estimates/Scope of Loss)

Supervision

Supervision is left out of 95% of all scopes. Omitting supervision can cost restoration contractors thousands per project. Most claims require some form of supervision. This needs to be accounted for as a separate line item in the Xactimate estimate. The cost of supervision is a job-specific cost and is not included in overhead and profit.

Includes: Hourly labor rate for residential/commercial supervision/project management.

Note: This is for a Superintendent/Project Manager used to manage residential jobs where Supervision/Project Management is needed to coordinate the work of subcontractors, or perform other project management duties.

Xactimate Omissions-Total Loss (continued)

Personal Protective Equipment (PPE)

Many contractors ignore this job-specific cost. See below for the description taken directly from Xactimate:

- Includes: Disposable coveralls, tape, gloves, and mask.
- Quality: Disposable coveralls with zipper front, hood, elastic wrists, and skid resistant boots. Puncture resistant vinyl, latex, or nitrile gloves. N-95 NIOSH approved paper mask.
- Heavy duty PPE is available as well.

Per Diem for Crews

Housing/transportation for supervision, crews, subs

Xactimate Corrections-Total Loss

Material Costs

Lumber, concrete

Subcontractor Costs

Electrical, plumbing, roofing tend to not cover actual baseline costs of these construction costs in your county, much less surge pricing for oversubscribed trades in remote areas

Examples of Xactimate Omissions (Partial Losses)

Repair of Drywall

If your repair includes pulling out baseboards, repairs must be made to the walls. Very few estimates account for this.

In addition to the drywall, a skim coat after the repairs is typically made to ensure the evenness of the wall surface and assure a uniform final appearance.

This will affect your Scope of Loss in regards to how much priming and painting will be done. You want the wall to be perfect after the repairs are made.

Xactimate Omissions-Partial Loss (continued)

Contents Manipulation

This can range from \$50 per room to a complete inventoried pack-out, storage in a climate controlled facility and pack-back for \$1000's depending on the circumstance.

Detach & Reset Fixtures, etc.

Detach and reset light fixtures, fans, vent covers, blinds, shelving, etc., when painting or performing should be accounted for in your estimate. The costs associated with these items can add up very quickly.

Plastic & Pads

Charges for floor protection, contents protection, wall protection, cabinet protection, etc., are often missing.

Once I provide a scope of loss, what happens next?

- The insurance company will review the document and may or may not accept it. If you hired professional help, they may be asked to answer questions from the insurance company about the Scope of Loss
- If it goes to Appraisal or Litigation, your professional help may be asked to defend the Scope of Loss during mediation/litigation.

Colorado insurance code

Bulletin No. B-5.04

Attachment A to Bulletin B-5.4

Summary of § 10-4-120, Colorado Revised Statutes

The law prohibits an insurance company or its agent from

- Requiring that appraisals or repairs to the real or personal property be made or not be made by a specific repair business
- Representing to a claimant that the use of or the failure to use a particular repair business may result in nonpayment or delayed payment
- Coercing, intimidating, threatening, or inducing by incentive, a beneficiary or claimant to use a particular business for repairs except that an inducement by incentive does not include Warranty or Guaranty of repairs
- Contracting with a person to manage, handle, or arrange repair work for the insurer on the condition a business does claims work at a price established by the insurer and the person retains a percentage of any compensation paid by the insurer
- Using disincentives to discourage a beneficiary or claimant from using a repair business, not including warranty or guaranty repairs
- Soliciting or accepting a referral fee in exchange for referring the beneficiary or claimant to a repair business
- Requiring the beneficiary or claimant to travel an unreasonable distance to choose a repair business
- Misinforming a beneficiary or claimant to induce the use of a particular repair business and
- Requiring a third-party claimant to have repairs done by a particular repair business

- Use of estimating software programs is common in determining the cost of rebuilding a dwelling. The insurer should consider other factors that may not be included in the estimating program. For example, the slope and building grade of the land, the specific attributes of the insured home and availability of labor and materials. These factors will generally impact the actual cost to rebuild. Insurers should also adjust pricing to reflect the specific region the insured property is located, taking into account local conditions that may affect costs. An insurer's refusal to consider additional information related to the cost to rebuild a particular dwelling may constitute a violation of § 10-3-1104 (1) (h) (IV), C.R.S.
- Sections 10-4-120(3)(c) and (f), C.R.S., requires insurers pay the prevailing competitive market price for the geographic area in which the loss occurred.

B-5.28

MOVING FORWARD

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How can I close the gap?

- The GAP occurs when the insurance company's scope of loss (and thus, their offer of what they will pay to repair/replace your home) is LESS THAN the actual cost to repair or replace your home (lowballing)
- Get and present to your insurer detailed written estimates from reputable independent builders
- Set up a face-to-face meeting between your selected contractor and your insurance adjuster to reconcile pricing/scope differences
- Consider hiring your own expert to create an independent scope of loss for your destroyed home

Again, the *dollars* are in the *details*

If there's a gap between the Insurer's numbers and yours, isolate why there's a gap.

- Is scope complete (no rooms missing)
- Are details for interior finishes correct (wall & floor coverings, light fixtures, appliances, ceiling treatments, window and door hardware, etc.)
- Are prices accurate? (lumber, concrete)
- Are categories missing? (supervision, travel/housing for subs coming out of area)

Keeping your claim moving forward

- Aim to agree on the cost of replacing what you had, and how much the insurance company is obligated to pay
- Problems often arise if you try to negotiate a settlement on the new home you want to build instead of the one you had

Sample letter requesting claim related documents

- Ask how they calculated the first payment
- Request your claim related documents

Sample Letter for Requesting Copies of Claim-Related Documents

- Use this letter to request copies of documents related to your insurance claim such as inspection reports, estimates, measurements, notes, and damage assessments.
- Use this letter to request a complete copy of your claim file from your insurance company.

NOTE: This letter is a sample that must be customized to fit the facts of your individual situation and claim. All bracketed and underlined portions must be completed or revised before sending.

(Date)

(Name of adjuster or highest-ranking ins. co. employee you can identify)
(Name of Insurance Co.)
(Address)

Re: Claim Number _____

Date of Loss: _____

Name of Insured: _____

Address of Insured Property: _____

Dear [INSURANCE COMPANY],

As part of your investigation of our claim, your adjuster and people associated with or hired by your company may have inspected our property, taken notes and written or obtained reports and estimates on the damage. We need to see those reports and estimates so we can be informed and continue cooperating with you on our claim. Thank you in advance for your return cooperation.

Please provide complete copies of our claim file and/or all claim-related documents. For purposes of this request, "claim-related documents" means all documents that relate to the evaluation of damages, including, but not limited to, repair and replacement estimates and bids, appraisals, scopes of loss, drawings, plans, reports, third-party findings on the amount of loss, covered damages, and cost of repairs, and all other valuation, measurement, and loss adjustment calculations of the amount of loss, covered damage, and cost of repairs.

[NOTE: If you live in California, your insurance company is legally required to comply with this request by Cal. Ins. Code section 2071 – Requirements in Case Loss Occurs]

Please send these documents to the mailing address listed below within fifteen (15) calendar days of the date of this letter. Thank you in advance for your prompt handling of this request. I look forward to receiving the above-requested documents and working with [INSURANCE COMPANY] to reach a full, fair and timely settlement.

Sincerely,
YOUR NAME
MAILING ADDRESS

Summary of Loss

Named Insured: Joseph BrontsemaClaim Number: 05-00000000

Coverage A - Dwelling	Limit of Liability: \$	473,286.00
Coverage A - Dwelling Extension	Limit of Liability: \$	47,329.00
Description	Amount	
State Farm Estimate - Dwelling - includes \$25,958.64 for debris removal	\$	486,129.62
----- Dwelling - Amount Over Policy Limit	\$	-12,843.62
State Farm Estimate - Dwelling Extension	\$	61,911.30
----- Dwelling Extension - Amount Over Policy Limit	\$	-14,582.30
Total Coverage A: \$		520,615.00

Coverage B - Personal Property	Limit of Liability: \$	354,965.00
Description	Amount	
Personal property inventory	\$	470,778.01
----- Amount Over Policy Limit	\$	-115,813.01
Total Coverage B: \$		354,965.00

Coverage C - Loss of Use	Limit of Liability: \$	ACTUAL
Description	Amount	
ALE Worksheet - revised 6/25/2018	\$	32,707.88
Total Coverage C: \$		32,707.88

Other Coverages (if applicable)

Description	Limit of Liability	Amount
Dwelling Extension - Additional 5% of limit for Debris Coverage	\$ 2,839.74	\$ 2,366.45
Trees, Shrubs, Landscape, & Hardscape	\$ 23,664.30	\$ 11,859.52
Personal Property - Option Jewelry & Furs	\$ 2,500.00	\$ 2,500.00
Option Ordinance or Law (OPT OL is 50% of dwelling limit)	\$ 118,321.50	\$ 77,998.68
Dwelling - Option Increased Dwelling (OPT ID)	\$ 94,657.20	\$ 12,843.62
Total Other Coverages (if applicable): \$		107,568.27

Payments Made

Date	Amount	Description
10/23/2017	\$ 103,490.00	Coverage B Advance (30%)
12/12/2017	\$ 429,397.96	Cov A settlement per SOL 12/12/2017
1/5/2018	\$ 9,823.00	Temporary housing from October 20, 2017 thru January 31, 2018
2/12/2018	\$ 6,583.82	Temp Housing thru March 31, 2018
2/12/2018	\$ 162,733.75	Coverage B Advance up to 75%
2/12/2018	\$ 437.82	502623833Q ALE supplement
2/12/2018	\$ 3,000.00	Payment for Deductible Absorption
5/1/2018	\$ 8,638.62	PG&E payment, Temporary housing for April & May

Lessons Learned

- Take your time (if you rush you'll forget something)
- Document everything in writing and keep copies
- When a claim is rejected or delayed, ask for specific language supporting the denial (always ask in writing for an extension on timeframe to settle your claim)
- It's common to be denied, so be politely persistent-get the facts and keep asking for clarification

Deep Breath



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Guidance available in the UP Claim Help Library at www.uphelp.org

- The scoop on “scope” of loss
- Guidelines for reviewing adjuster’s and contractor’s estimates
- Xactimate Demystified
- Questions to ask before hiring a contractor
- Samples: Trade summary breakdown, room by room estimate, commonly required code upgrades

Stay informed – Sign UP

To be added to our mailing list for notices of future events and updated guidance:

➤ Encourage friends to sign up:

www.uphelp.org/signup

➤ To request a copy of today's slides or video,
email: **info@uphelp.org**

Stay connected to other disaster survivors – S2S Forums

- Great source of information about:
 - Insurance and rebuilding
 - Negotiation and financial strategies
 - Referrals and warnings re: professionals
 - Important source of emotional support
 - No one else understands your challenges and emotions like another survivor
- Find upcoming Survivor 2 Survivor Forums and register at: <http://www.uphelp.org/events>



COLORADO

Department of
Regulatory Agencies

Division of Insurance

Colorado Division of Insurance Our Mission is Consumer Protection

Assistance available Monday-Friday

8:00 a.m. to 5:00 p.m. MT

Phone: 303-894-7499 | Toll free outside the
Denver Metro Area: 800-930-3745

Email: dora_insurance@state.co.us



CALIFORNIA DEPARTMENT OF INSURANCE



Wildfire resources
and insurance
information

FOR FREE, PERSONAL ASSISTANCE WITH YOUR
CLAIMS OR UNDERINSURANCE ISSUES

CALL US AT: **1 800 927 4357**

OR GO ONLINE: **insurance.ca.gov**


Upcoming Roadmap to Recovery[®] Events


EVENTS

[Home](#) >> [Events](#)

UPCOMING EVENTS

Contents Pricing Party for wildfire survivors

 Saturday, January 21, 2023
10:00 a.m. PT

 Zoom

 All wildfire survivors



[VIEW+](#)

www.uphelp.org/events
Register for upcoming events.
View recordings of past events and related resources.

Ask an Expert Forum

www.uphelp.org/ask-an-expert

The screenshot shows the 'Ask an Expert' forum page on the United Policyholders website. The top navigation bar includes links for LOG OUT, MY QUESTIONS, and ASK AN EXPERT, along with a search bar. Below this is a secondary navigation bar with links for HOME, ABOUT, MEDIA, RECOVERY HELP, GET PREPARED, ADVOCACY, EVENTS, and SUPPORT UP. The main heading is 'ASK AN EXPERT' in a purple banner. Below this, there are tabs for HOME and ACCOUNT. A note states: 'NOTE: THIS FEATURE IS CURRENTLY IN BETA TESTING. Thanks for your patience as we work out the bugs.' Below the note, a paragraph explains the forum's purpose: 'You Need Answers. Use this forum to get them. Search for answers or post a question about your insurance issue or the loss recovery process. Expert volunteers include professionals in construction, insurance claims and insurance law plus people sharing their own disaster recovery lessons learned.' To the right of the text are social media icons for Facebook, Twitter, LinkedIn, Instagram, and YouTube. Below the text is a section titled 'WHAT DO YOU WANT TO KNOW?' with a search bar. To the right of this section is a dropdown menu labeled 'EXPLORE CATEGORIES' with 'Additional Living Expenses (ALE)' selected. Below that is a section titled 'FREQUENTLY USED PUBLICATIONS' with a link to 'Top Ten Insurance Claim Tips'.

United Policyholders
INSURING THE FUTURE

LOG OUT MY QUESTIONS ASK AN EXPERT Search

HOME ABOUT MEDIA RECOVERY HELP GET PREPARED ADVOCACY EVENTS SUPPORT UP

ASK AN EXPERT

HOME ACCOUNT

NOTE: THIS FEATURE IS CURRENTLY IN BETA TESTING. Thanks for your patience as we work out the bugs.

You Need Answers. Use this forum to get them. Search for answers or post a question about your insurance issue or the loss recovery process. Expert volunteers include professionals in construction, insurance claims and insurance law plus people sharing their own disaster recovery lessons learned.

Facebook Twitter LinkedIn Instagram YouTube

EXPLORE CATEGORIES

Additional Living Expenses (ALE)

WHAT DO YOU WANT TO KNOW?

Search

FREQUENTLY USED PUBLICATIONS

- Top Ten Insurance Claim Tips

- Register. It's free.
- Write in your questions.
- Get an answer from an expert in construction, insurance, laws and disaster recovery.

Thank You to Our Funders

